

# **MINUTES**

## **LCWSD BOARD OF DIRECTOR'S MEETING**

### **JULY 21, 2015**

**PRESENT:** Directors Tip, Clark, Marc Liechti, Jack Thomson, and Roxanne Wadman and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** Director Niles.

Director Clark called the meeting to order at 2:00 p.m.

**AGENDA:** Agenda was amended to include a discussion on On-Call and if visitors are present, to discuss the Board Resignation / Elections in an Executive Session. Director Thomson made a motion to approve the Agenda. Director Wadman seconded and motion carried.

**APPROVAL OF MINUTES:** The Minutes of the last Board meeting on June 16, 2015 were reviewed. A motion was made by Director Liechti to accept these Minutes as amended. Director Wadman seconded and motion carried.

**VISITORS:** Robert Thomas and David Maurer from Mission View

Robert Thomas, representing the Mission View Home Owners Association (HOA), attended the meeting as an observer. He is the newly appoint President of the Mission View HOA and head of their Water Committee. There were some concerns about the adjusted assessment that was mailed to all Mission View home owners. Robert met with Rodney prior to the meeting. Rodney provided a breakdown of costs and answered all Robert's questions. Robert was satisfied and said he felt comfortable with the new assessment.

David Maurer attended to discuss issues with his driveway. The Board sent Mr. Maurer a letter dated June 24, 2015 stating the issue addressed in the June 16 Board Meeting was taken under advisement so the Board had time to review the information provided. The letter also stated the issue would be discussed during the July 21, 2015 Board meeting and acknowledged receipt of:

- a statement from Don VanLuven that was also signed by John Boinis;
- a letter addressed to the LCWSD Board from Dave Doney;
- a map showing an outline of your property; and
- a bid from Glacier Paving to seal coat your driveway.

The letter requested a communication in writing stating Mr. Maurer's expectations. Mr. Maurer stated that he did not put his expectation(s) in writing as he wanted to talk with the Board in person.

Mr. Maurer presented a photo and claimed the LCWSD did not follow their proposed plan in locating the water line and dug up his driveway without his consent.

The Board informed Mr. Maurer that the photo he presented was a very preliminary photo that was taken prior to the start of the project. LCWSD tried many times to contact Mr. Maurer to go over the plans, but Mr. Maurer never responded. Also, the HOA covenants provide access for the "continued use and maintenance" of the water system.

The Board again requested that Mr. Maurer provide documentation clearly stating his expectation(s).

**FINANCIAL REPORT:** Fiscal year-to-date gross profit was \$734,576.15, under budget by \$4,913.85. Expenses to date were \$548,293.07, under budget by \$48,206.97. Net Ordinary Income was \$186,283.08, ahead of budget by \$43,293.12. Plan Investment Fees (PIFs) were ahead of budget by \$10,637.00. Net income was over budget by \$287,574.37.

Gross profit compared to 2014 is down \$1,463.75 or .2%. Expenses are down \$45,122.75 compared to 2014. Net ordinary income was up over 2014 by \$43,659.00.

Checking/Savings account balance was \$947,309.84, up \$68,103.61 from 2014.

A motion was made by Director Liechti to approve this report. Director Wadman seconded and motion carried.

**BILL APPROVAL:** Accounts payable for June were reviewed. Expense of note included:

- Industrial Process Controls – replaced a cable on the DO probe at the Treatment Site.
- Tanner Smith – completion of the water leak repair on Sunset Ridge.
- Advanced Hydroseeding – reseeding of property affected by the Sunset Ridge water leak and Walt Okken's hill.
- Treasure State Irrigation – purchase of recommended parts for pivot to have on hand (preventative maintenance).
- Diversified Electric – grinder pump rebuild.
- Paynewest – liability insurance.

Director Wadman made a motion to approve the bills. Director Thomson seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts.

### **OLD BUSINESS:**

MV Water System – Rodney provided a breakdown of costs for the new assessment. The HOA was satisfied.

Black Mountain – The conversion from Quick Books to Black Mountain Budget/Accounting/ Payroll software is going well. Conversion should be complete by mid-August.

White Oak L/S – New electrical panel being installed near the lift station.

Treatment Site Fence – The fence was installed by Mild Fence and looks great.

### **Projects Update**

Lakeside Club – Cabins have been approved. They will be hooking up the first septic to the LCWSD lines.

## **Outside District**

Spurwing – a second home is under construction.

Somers – new hookup (Tiebucker's Lot 3).

## **NEW BUSINESS:**

**Board Resignation/Election** – after 10 years of service Tip Clark has submitted his resignation as the President of the LCWSD Board. This leaves one Board seat open as well as the post of President.

**Annexation** – presented Resolution 15-3 for annexation of 7074 US Hwy 93 South into the District. A motion was made by Director Liechti to accept this resolution. Director Thomson seconded and motion carried.

**Montana Property & Supply Bureau Resolution** – every three to four years a new resolution authorizing agents to purchase surplus items must be signed by the Board and submitted to the State. A motion was made by Director Thomson to accept this resolution. Director Liechti seconded and motion carried.

**On-Call** – staff are paid \$25.00 per day for each day they are on-call. The \$25.00 is included as income for the PERS program. However, staff were not getting credit for hours which will become important when staff retire.

A motion was made by Director Liechti to change the On-Call pay from a flat rate of \$25.00 per day to an 8-hour, hourly rate of \$3.13 to ensure staff receives credit for hours they are on-call beginning July 16, 2015. Director Wadman seconded and motion carried.

## **MISCELLANEOUS**

Cody Osterday recently completed a week-long training workshop on back flow prevention. He successfully completed both a written and practical exam. LCWSD has a back flow meter. Now that the District has an employee certified, the meter will be sent in for calibration and certification.

The meeting adjourned at 3:22 p.m.

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, AUGUST 18, 2015)**